

SBT Direct Package Test #2
38-0200000

FORMS REQUIRED	
FEDERAL: 1065, SCHEDULE K-1	
MICHIGAN: C-8000, C-8000C, C-8000KP, C-8000S, C-8020	
TAXPAYER	
FEIN: 38-0200000 NAME: THE BARTER BROTHERS DBA: ADDRESS: 4444 SWAP LANE LANSING, MI 48922 ORGANIZATION TYPE: PARTNERSHIP/LLC-PARTNERSHIP PRINCIPAL BUSINESS ACTIVITY: RETAIL TRADE BEGINNING DATE: JUNE 2006 ENDING DATE: MAY 2007 DISCONTINUANCE DATE:	
TAXPAYER'S DECLARATION	PREPARER'S DECLARATION
AUTHORIZED: YES DATE: JULY 15, 2007 NAME: JIM WOOD TITLE: CEO	DATE: JULY 15, 2007 NAME: HENRY HEAT ADDRESS: 4321 SUNNY LANE LANSING, MI 48922 PHONE: (517)487-1212 FEIN: 38-8000000
ELECTRONIC SIGNATURE ALTERNATIVE	
CUSTOMER SERVICE NUMBER (CSN): D1234567 PRIOR GROSS RECEIPTS: \$650,000 FEIN: 38-0200000	
OTHER	
BUSINESS HAS UNDERPAID ESTIMATES SO FORM C-8020 IS FILED. FOR PURPOSES OF THIS TEST, WE ARE USING INTEREST RATE FROM 2005 TAX YEAR ON LINE 25 OF THE C-8020.	
CHANGES FOR FED/STATE 1120 TEST PACKAGE	
CHANGES FOR FED/STATE 1065 TEST PACKAGE	
FEIN: 58-0200000 ORG. TYPE: PARTNERSHIP SEE 1065 FED/STATE TEST 2	

2006 MICHIGAN Single Business Tax Annual Return

Issued under authority of P.A. 228 of 1975. See instruction booklet for filing guidelines.

1. This return is for calendar year 2006 or for the following tax year Beginning Date Ending Date month year month year 06 2006 05 2007	5. Federal Employer Identification Number (FEIN) or TR Number <input type="checkbox"/> 38-0200000
2. Name (Type or Print) THE BARTER BROTHERS	6. If discontinued, enter effective date
DBA	7. Business Start Date 1997-01-01
Street Address 4444 SWAP LANE	8. Principal Business Activity RETAIL TRADE
City, State, ZIP Code LANSING MI 48922	9. Organization Type (check one) a. <input type="checkbox"/> Individual b. <input type="checkbox"/> Fiduciary c. <input type="checkbox"/> Professional Corporation d. <input type="checkbox"/> S Corporation/LLC S Corporation e. <input type="checkbox"/> Other Corporation f. <input checked="" type="checkbox"/> Partnership/LLC-Partnership g. <input type="checkbox"/> Limited Liability Company-Corporation
3. Check if filing a Michigan consolidated return (attach C-8008 and approved C-8007). <input type="checkbox"/> Enter authorization number _____	
4. Check if you are a member of a controlled group (see instructions). <input type="checkbox"/>	

10. Gross receipts	10.	619024 .00
11. Business income. Filers using the Short-Method, go to C-8000S, line 9 COMPENSATION	11.	157893 .00
12. Salaries, wages and other payments to employees	12.	218056 .00
13. Employee insurance plans - life, health (see line 13 instructions)	13.	.00
14. Pension, retirement, profit sharing plans	14.	.00
15. Other payments - supplemental unemployment benefit trust, etc	15.	.00
16. Total Compensation. Add lines 12 - 15	16.	218056 .00
ADDITIONS - to the extent deducted in arriving at business income.		
17. Depreciation and other write-off of tangible assets	17.	52678 .00
18. Taxes imposed on or measured by income (e.g., city, state, foreign)	18.	3620 .00
19. Single business tax	19.	.00
20. Dividends, interest and royalty expenses	20.	7862 .00
21. Capital loss carryover or carryback	21.	.00
22. Net operating loss carryover or carryback	22.	.00
23. Gross interest and dividend income from bonds and similar obligations issued by states other than Michigan and its political subdivisions	23.	.00
24. Any deduction or exclusion due to classification as FSC or similar classification and expenses of financial organizations, see instructions	24.	.00
25. Losses from partnerships. Account No. _____	25.	.00
26. Total Additions. Add lines 17 - 25	26.	64160 .00
27. Subtotal. Add lines 11, 16 and 26	27.	440109 .00
SUBTRACTIONS		
28. Dividends, interest and royalty income included in business income	28.	5319 .00
29. Capital losses not deducted in arriving at business income	29.	.00
30. Income from partnerships (Account No. _____) or SBIR grants (see instructions), included in business income	30.	.00
31. Total Subtractions. Add lines 28 - 30	31.	5319 .00
TAX BASE		
32. Tax Base. Subtract line 31 from line 27	32.	434790 .00
33. Apportioned Tax Base. Multiply line 32 by _____ % from C-8000H, line 16 or 19	33.	.00

62. PAYMENT. Enter amount from page 2, line 58 **PAY THIS AMOUNT** **62.** **.00**
WITHOUT PAYMENT - Mail return to:
 Michigan Department of Treasury
 P.O. Box 30059
 Lansing, MI 48909
WITH PAYMENT - Pay amount on line 62 and mail check and return to:
 Michigan Department of Treasury
 Department 77375
 P.O. Box 77000
 Detroit, MI 48277-0375

Make checks payable to "State of Michigan." Print the FEIN or TR Number and "SBT" on the front of the check. Do not staple the check to the return.

Continue and sign on page 2.

TAX BASE

34. Enter amount from line 32 or 33, whichever applies 34. 434790 .00

ADJUSTMENTS

35. Recapture of capital acquisition deduction from C-8000D, line 19 ► 35. .00

36. ADJUSTED TAX BASE BEFORE loss deduction and statutory exemption.
Add line 34 and line 35. If line 35 is negative, subtract ► 36. 434790 .00
If negative, this is a business loss carryforward; **do not complete lines 37 through 42. Enter zero on line 43.**

37. Business loss deduction 37. .00

38. **Adjusted Tax Base Before Statutory Exemption.** Subtract line 37 from line 36 38. 434790 .00

STATUTORY EXEMPTION - Complete and attach Form C-8043, Statutory Exemption Schedule.

39. Allowable statutory exemption, from C-8043, line 16 39. .00

40. **Adjusted Tax Base.** Subtract line 39 from line 38. Check if C-8000G is attached ► a. ☐ . . . 40. 434790 .00

REDUCTIONS, NONREFUNDABLE CREDITS, AND TAX

41. Reduction to adjusted tax base, if applicable. See instructions for Form C-8000S 41. 125278 .00

Check the method being used: ► ☐ **Compensation Reduction OR** ► ☒ **Gross Receipts Reduction**

42. Taxable base. Subtract line 41 from line 40. If the gross receipts short-method was used,
enter the amount from C-8000S, line 14 42. 309512 .00

43. **Tax Before All Credits.** Multiply line 42 by 1.9% (.019) ► 43. 5881 .00

If you are not taking the Investment Tax Credit on C-8000ITC, enter the amount from line 43 on line 44.

44. **Tax After Investment Tax Credit.** Enter the amount from C-8000ITC, line 37 ► 44. 5881 .00

The small business and contribution credits are computed on Form C-8000C and/or C-8009. Complete Form C-8000C and/or C-8009 before continuing. If not filing Form C-8000C or C-8009, enter the amount from line 44 on line 45.

45. Enter the amount from C-8000, line 44, C-8000C, lines 19, 26 or 36 or C-8009, line 33 or 34 45. 5587 .00

46. Unincorporated/S Corp. credit. Multiply line 45 by percent from page 15 46. 559 .00

47. Nonrefundable credits from C-8000MC, line 99 47. .00

48. Add lines 46 and 47 48. 559 .00

49. **Tax After Nonrefundable Credits.** Subtract line 48 from line 45 ► 49. 5028 .00

PAYMENTS, REFUNDABLE CREDITS AND TAX DUE

50. Overpayment credited from 2005 50. .00

51. Estimated tax payments 51. 6000 .00

52. Tax paid with request for extension 52. .00

53. Refundable credits from C-8000MC, line 14 53. .00

54. Total. Add lines 50 - 53 ► 54. 6000 .00

55. **TAX DUE.** Subtract line 54 from line 49. If less than zero, leave blank ► 55. .00

56. Underpaid estimate penalty and interest from C-8020, line 28 or 40, whichever applies 56. 182 .00

57. Annual return penalty at % = .00 and interest = .00 57. .00

58. If line 55 is blank, go to line 59. Otherwise, add lines 55 - 57; enter the amount here and on
page 1, line 62. 58. .00

OVERPAYMENT - REFUND OR CREDIT FORWARD

59. Overpayment. Subtract line 49, and any penalty and interest due on lines 56 and 57, from line 54.
If less than zero, leave blank. See instructions 59. 790 .00

60. Enter the amount of overpayment on line 59 to be refunded ► 60. 790 .00

61. Enter the amount of overpayment on line 59 to be **credited forward** ► 61. .00

TAXPAYER'S DECLARATION I declare under penalty of perjury that this return is true and correct to the best of my knowledge. <input checked="" type="checkbox"/> By checking this box, I authorize Treasury to discuss my return with my preparer.		PREPARER'S DECLARATION I declare under penalty of perjury that this return is based on all information of which I have any knowledge.	
		Preparer's Signature	
Taxpayer's Signature		Print or Type Preparer's Name HENRY HEAT	Date 2007-07-15
Print or Type Taxpayer's Name JIM WOOD	Date 2007-07-15	Business Address, Phone and Identification Number 4321 SUNNY LANE LANSING MI 48922 38-8000000 517-487-1212	
Title CEO			

**2006 MICHIGAN
SBT Credit for Small Businesses and Contribution Credits**

Issued under authority of P.A. 228 of 1975. See instruction booklet for filing guidelines.

Form Code 2

1. Name THE BARTER BROTHERS	2. Federal Employer Identification No. (FEIN) or TR Number 38-0200000
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TAX and CREDIT FOR SMALL BUSINESSES

The standard small business credit and the alternate tax are **NOT** available if any of the following conditions exist:

- Gross receipts exceed \$10,000,000; **or**
- Adjusted business income after loss adjustment exceeds:
 - a. \$475,000 for corporations, partnerships and LLCs
 - b. \$115,000 for an individual or fiduciary; **or**
- Any shareholder or officer has allocated income after loss adjustment of over \$115,000, or any partner has distributive share of income after loss adjustment of over \$115,000, as determined on C-8000KC or C-8000KP. Form C-8000KC or C-8000KP must be attached.

The standard small business credit and the alternate credit must be **REDUCED** if any individual, shareholder or officer has allocated income after loss adjustment of over \$95,000 but not over \$115,000, or any partner has distributive share of income after loss adjustment of over \$95,000 but not over \$115,000, as determined on Form C-8000KC or C-8000KP. Form C-8000KC or C-8000KP must be attached.

Note: Members of controlled groups must attach a copy of Form C-8009, SBT Allocation of Statutory Exemption, Standard Small Business Credit, and Alternate Tax for Members of Controlled Groups.

If **not** claiming a small business credit, go to line 28 to claim contribution credits.

PART 1: ADJUSTED BUSINESS INCOME

3. Business income from C-8000, line 11	3.	.00
4. Capital loss carryover or carryback from C-8000, line 21	4.	.00
5. Net operating loss carryover or carryback from C-8000, line 22	5.	.00
6. Subtotal. Add lines 3, 4 and 5	6.	.00
7. Compensation and director fees of active shareholders from C-8000KC, line 6	7.	.00
8. Compensation and director fees of officers from C-8000KC, line 7	8.	.00
9. Adjusted business income. Add lines 6, 7 and 8.	9.	.00

If line 9 is less than zero, skip lines 10-12 and enter 100% on line 13.

PART 2: SMALL BUSINESS CREDIT

10. Tax base from C-8000, line 32	10.	.00
11. Tax base for credit. Multiply line 10 by 45% (.45)	11.	.00
If line 9 exceeds line 11, this credit cannot be taken. Skip line 12 and enter zero on line 13.		
12. Income percentage. Divide line 9 by line 11 and multiply by 100 to find percentage	12.	%
13. Credit percentage. Subtract line 12 from 100%	13.	0.0000%
14. Tax from C-8000, line 44	14.	.00
15. Standard Small Business Credit. Multiply line 13 by line 14	15.	.00
16. Alternate tax. Multiply line 9 by 2% (.02)	16.	.00
17. Alternate Credit. Subtract line 16 from line 14	17.	.00
18 a. Small business credit. Enter the greater of line 15 or 17	18a.	.00
b. Reduced small business credit. Use the Reduced Credit Table on page 2 of this form to find the reduced credit percentage. Multiply line 18a by %	18b.	.00
19. Tax after small business credit. Subtract line 18a or 18b, whichever is applicable, from line 14	19.	.00

If gross receipts are equal to or less than \$9 million and contribution credits are not being claimed, enter the amount on line 19 on Form C-8000, line 45. Otherwise, go to page 2 of this form.

PART 3: REDUCTION BASED ON EXCESS GROSS RECEIPTS

Complete this section if gross receipts are more than \$9,000,000 but not more than \$10,000,000.

20.	Gross receipts from C-8000, line 10. See instructions for tax years less than 12 months	20.	<u>.00</u>
21.	Excess gross receipts. Subtract \$9,000,000 from line 20	21.	<u>.00</u>
22.	Excess percentage. Divide line 21 by \$1,000,000	22.	<u>%</u>
23.	Allowable percentage. Subtract line 22 from 100%	23.	<u>%</u>
24.	Tax from line 14 or C-8000, line 44	24.	<u>.00</u>
25.	Multiply the percentage on line 23 by the credit on line 18a or line 18b, whichever is applicable	25.	<u>.00</u>
26.	Tax after small business credit. Subtract line 25 from line 24	26.	<u>.00</u>

If no contribution credits are claimed, enter the amount on line 26 on Form C-8000, line 45.

PART 4: CONTRIBUTION CREDITS

Complete this section ONLY if claiming contribution credits. See the instructions for these credits on page 24.

27.	Enter the amount from line 19 or 26, whichever applies. Affiliated or controlled groups or entities under common control, enter the amount from C-8009, line 33 or 34	27.	<u>.00</u>
28.	If you did not claim a small business credit , enter the amount from C-8000, line 44	28.	<u>5881.00</u>
29 a.	Community Foundations donations	29a.	<u>.00</u>
b.	Credit. Enter the smaller of 50% of line 29a, \$5,000, or 5% of the tax on C-8000, line 43	29b.	<u>.00</u>
c.	Find the code on page 75 for any community foundations contributed to and enter here	29c.	<u></u>
30.	Subtract line 29b from line 27 or 28	30.	<u>5881.00</u>
31 a.	Homeless Shelter/Food Bank Credit donations	31a.	<u>.00</u>
b.	Credit. Enter the smaller of 50% of line 31a, \$5,000 or 5% of the tax on C-8000, line 43	31b.	<u>.00</u>
32.	Subtract line 31b from line 30	32.	<u>5881.00</u>
33 a.	Public Contributions	33a.	<u>5000.00</u>
b.	Credit. Enter the smaller of 50% of line 33a, \$5,000, or 5% of line 32	33b.	<u>294.00</u>
34 a.	Public Utility Property Tax for taxable year	34a.	<u></u>
b.	Credit. Enter 5% of line 34a. This amount cannot exceed the tax liability	34b.	<u>.00</u>
35.	Add lines 33b and 34b	35.	<u>294.00</u>
36.	Tax After Credits. Subtract line 35 from line 32. Enter here and on Form C-8000, line 45	36.	<u>5587.00</u>

REDUCED CREDIT TABLE

If allocated income* is:	The reduced credit is:
\$0 - \$ 95,000	100% of the small business credit
\$95,001 - \$ 99,999	80% of the small business credit
\$100,000 - \$ 104,999	60% of the small business credit
\$105,000 - \$ 109,999	40% of the small business credit
\$110,000 - \$ 115,000	20% of the small business credit

*See page 6 for tax years less than 12 months.

2006 MICHIGAN
SBT Schedule of Partners

For all partnerships claiming statutory exemption or small business credit.

Issued under authority of P.A. 228 of 1975. See instruction booklet for filing guidelines.

1. Name THE BARTER BROTHERS	2. Federal Employer ID Number (FEIN) or TR Number 38-0200000
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PART 1: PARTNER IDENTIFICATION

3.	A. Name (Last, First, Initial)	B. Social Security Number	C. % Time	D. % Own	E. Share of Business Income*
a.	BARTER SAM	333-33-3333	100	75	118420
b.	BARTER STAN	444-44-4444	50	25	39473
c.					
d.					
e.					
f.					
g.					
h.					
i.					
j.					
k.					
l.					
m.					
n.					
o.					

* If any partner has a share of business income in column E of over \$115,000, after loss adjustment, the partnership is not eligible for either the standard small business credit or the alternate credit.

If more space is needed, submit additional C-8000KP forms. Identify each additional form and complete Part 1 only.

PART 2: QUALIFIED PARTNERS FOR STATUTORY EXEMPTION

- A qualified partner is one who:
- Spends at least 51% of his or her time working in the business, i.e., column C is 51% or more, **and**
 - Owns at least 10% of the business, i.e., column D is 10% or more, **and**
 - Whose share of business income in column E, is at least \$12,000.

4. Total number of partners 4. 2

5. **Total number of qualified partners.** Add number of qualified partners from Part 1.
Enter here and on C-8043, line 8a (if more than 5, enter 5) 5. 1

2006 MICHIGAN

SBT Reductions to Adjusted Tax Base

Issued under authority of P.A. 228 of 1975. See instruction booklet for filing guidelines.

1. Name THE BARTER BROTHERS	2. Federal Employer ID Number (FEIN) or TR Number 38-0200000
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NOTE: Carry all percentages to six decimal places.
Short-Method filers complete lines 9 - 14 only.

PART 1: COMPENSATION REDUCTION

3. Total Compensation from C-8000, line 16 3. 218056 .00

4. Tax base from C-8000, line 32 4. 434790 .00

5. Divide line 3 by line 4 (maximum 100%) 5. 50.1520 %
If line 5 is less than 63%, this reduction is not allowed.
- 63%

6. Subtract 63% from line 5 (maximum 37%) 6. _____ %

7. Adjusted tax base from C-8000, line 40 7. 434790 .00

8. **Reduction to adjusted tax base.**
Multiply line 6 by line 7.
Complete Part 2 and the Worksheet in these instructions. Use the 8. .00
method that gives the greatest reduction

PART 2: GROSS RECEIPTS REDUCTION

c o m p l e t e S h o r t M e t h o d f i l e r s o n l y	9. Gross receipts from C-8000, line 10 9. <u>619024.00</u> If taxable in another state, complete lines 10 and 11.
	10. Enter percentage from C-8000H, line 16 or 19, whichever applies 10. _____ %
	11. Apportioned gross receipts. Multiply line 9 by line 10 11. _____ .00
	12. Recapture of capital acquisition deduction from C-8000D, line 19 12. _____ .00 Note: If gross proceeds reported on Form C-8000D are included in gross receipts on line 9, refer to the Notice to Single Business Tax Filers on page 77 to determine the adjusted amount to report on line 12.
	13. Adjusted gross receipts. Add line 9 or 11, whichever applies, and line 12 13. <u>619024.00</u>
	14. Gross receipts limitation. Multiply line 13 by 50% 14. <u>309512 .00</u> Short-Method filers enter here and on C-8000, line 42 and indicate on C-8000, line 41 the Gross Receipts Reduction method.
	15. Reduction to adjusted tax base. Subtract line 14 from line 7, then complete Part 3. If line 15 is less than zero, the gross receipts reduction is not allowed 15. <u>125278 .00</u>
	16. Complete the Worksheet in the instructions for this form. Enter results from the Worksheet here and on Form C-8000, line 41 16. <u>125278 .00</u>

Complete lines 15 and 16 only after Parts 1 and 2 have been completed

15. **Reduction to adjusted tax base.** Subtract line 14 from line 7, then complete Part 3.If line 15 is less than zero, the gross receipts reduction is not allowed 15. 125278 .00

PART 3: SUMMARY

16. Complete the Worksheet in the instructions for this form. Enter results from the Worksheet here and on

Form C-8000, line 41 16. 125278 .00

2006 MICHIGAN**SBT Penalty and Interest Computation for Underpaid Estimated Tax**

Issued under authority of P.A. 228 of 1975. See instruction booklet for filing guidelines.

1. Name THE BARTER BROTHERS	2. Federal Employer ID Number (FEIN) or TR Number 38-0200000
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PART 1: ESTIMATED TAX REQUIRED

3. Annual tax from C-8000, line 49, or from C-8044, line 15 3. 5028
4. Required estimate amount. Enter 85% of line 3. If last year's tax was less than \$20,000, enter the smaller of last year's tax or 85% of line 3 4. 4273

See SBT instruction booklet for exceptions**to penalty and interest computation.**

- | | A. | B. | C. | D. |
|---|-----------------|-----------------|-----------------|-----------------|
| 5. ENTER THE PAYMENT DUE DATES 5. | 20060930 | 20061231 | 20070331 | 20070630 |
| 6. Divide amount on line 4 by 4, or by the number of quarterly returns required. If annualizing, enter the amount from Annualization worksheet, line 30 6. | 1068 | 1068 | 1068 | 1069 |
| CAUTION: Complete lines 8-15 one column at a time. | | | | |
| 7. Prior year overpayment used on quarterly return 7. | | | | |
| 8. Amount paid on quarterly return or SUW return (see instructions) 8. | | 3000 | 1500 | 1500 |
| 9. Enter amount, if any, from line 15 of the previous column 9. | | | 864 | 1296 |
| 10. Add lines 7, 8 and 9 10. | | 3000 | 2364 | 2796 |
| 11. Add amounts on lines 13 and 14 of the previous column and enter the result here 11. | | 1068 | | |
| 12. Subtract line 11 from line 10. If zero or less, enter zero. For column A only, enter the amount from line 10 12. | | 1932 | 2364 | 2796 |
| 13. Remaining underpayment from previous period. If the amount on line 12 is zero, subtract line 10 from line 11 and enter the result here. Otherwise, enter zero 13. | | | | |
| 14. UNDERPAYMENT. If line 6 is greater than or equal to line 12, subtract line 12 from line 6 and enter it here. Then go to line 8 of the next column. Otherwise, go to line 15 14. | 1068 | | | |
| 15. OVERPAYMENT. If line 12 is larger than line 6, subtract line 12 from line 6 and enter it here. Then go to line 9 of next column 15. | | 864 | 1296 | 1727 |

PART 2: FIGURING THE INTEREST

- | | A. | B. | C. | D. |
|---|-----------------|----|----|-----------|
| 16. TOTAL UNDERPAYMENT. Add lines 13 and 14 16. | 1068 | | | |
| 17. Enter the due date for the next quarter or the date the tax was paid, whichever is earlier. In column D, enter the earlier of the due date for the annual return or date the tax was paid 17. | 20061231 | | | |
| 18. Number of days from the due date of the quarter to the date on line 17 18. | 92 | | | |
| 19. Number of days on line 18 after 4/30/2006 and before 7/1/2006 19. | | | | |
| 20. Number of days on line 18 after 6/30/2006 and before 1/1/2007 20. | 92 | | | |
| 21. Number of days on line 18 after 12/31/2006 and before 7/1/2007 21. | | | | |
| 22. Number of days on line 18 after 6/30/2007 and before 1/1/2008 22. | | | | |
| 23. Number of days on line 19 x 7.2% (.072) x amount on line 16 23. | | | | |
| 365 | | | | |
| 24. Number of days on line 20 x 8.2% (.082) x amount on line 16 24. | 22 | | | |
| 365 | | | | |
| 25. Number of days on line 21 x X.X% (.0XX) x amount on line 16 25. | | | | |
| 365 | | | | |
| 26. Number of days on line 22 x % x amount on line 16 26. | | | | |
| 365 | | | | |
| 27. Underpayment of interest. Add lines 23 through 26 27. | 22 | | | |
| 28. Interest Due. Add line 27 columns A through D and enter the result here. If not calculating penalty, enter on C-8000, line 56 or C-8044, line 22 28. | | | | 22 |

*Interest rate will be set at 1% above the prime rate of interest for this period.

Continue on page 2.

C-8020, Page 2

PART 3: FIGURING THE PENALTY

FEIN or TR Number38-0200000

D1 - 8/22/06

Compute penalty only if paid quarterly return(s) were not filed. Do not compute penalty for any quarter in which a timely paid estimated return was filed or there is a credit available from prior quarterly returns. Treasury will review the estimates filed and, if necessary, bill for the appropriate penalty.

	A.	B.	C.	D.
29. Enter the amount from line 14	1068			
30. Enter the payment due dates from line 5	20060930			
31. Enter the annual return due date or the date payment was made, whichever is earlier	20061231			
32. Enter number of days from date on line 30 to date on line 31	92			
33. If line 32 is greater than 0 but less than 61, multiply line 29 by 5% (.05)				
34. If line 32 is greater than 60, but less than 91, multiply line 29 by 10% (.10)				
35. If line 32 is greater than 90, but less than 121, multiply line 29 by 15% (.15)	160			
36. If line 32 is greater than 120, but less than 151, multiply line 29 by 20% (.2)				
37. If line 32 is greater than 150, multiply line 29 by 25% (.25)				
38. Add lines 33 through 37	160			
39. Total Penalty. Add line 38 columns A through D				160
40. Total Penalty and Interest. Add lines 28 and 39. Enter here and on C-8000, line 56 or C-8044, line 22				182

Annualization Worksheet

Complete this worksheet if liability is not evenly distributed throughout the year.

	A. First 3 Months	B. First 6 Months	C. First 9 Months	D. Full 12 Months
1. Gross receipts				
2. Business income				
3. Compensation				
4. Additions				
5. Add lines 2 through 4				
6. Subtractions				
7. Tax base. Subtract line 6 from line 5				
8. Apportionment percentage from C-8000H				
9. Apportioned tax base. Multiply line 7 by line 8				
10. Recapture of capital acquisition deduction from C-8000D				
11. Business loss deduction				
12. Statutory deduction, if available				
13. Adjusted tax base. Add line 10 and subtract lines 11 and 12 from line 7 or 9, whichever applies				
14. Reductions to tax base from C-8000S				
15. Taxable amount. Subtract line 14 from line 13				
16. Tax rate	1.9%	1.9%	1.9%	1.9%
17. Tax before credits. Multiply line 15 by line 16				
18. Tax after Investment Tax Credit				
19. Standard small business credit from C-8000C or C-8009				
20. Subtract line 19 from line 18				
21. Alternate tax from C-8000C, C-8044 or C-8009				
22. Unincorporated/S Corporation credit				
23. Other credits from C-8000C or C-8000MC				
24. Net tax liability. Subtract lines 22 and 23 from line 20 or 21, whichever applies				
25. Annualization ratios	4	2	1.3333	1
26. Annualized tax. Multiply line 24 by line 25				
27. Applicable percentage	21.25%	42.5%	63.75%	85%
28. Multiply line 26 by line 27				
29. Enter the combined amounts of line 30 from all preceding columns				
30. ESTIMATE REQUIREMENTS BY QUARTER Subtract line 29 from line 28. If less than zero, enter -0-. Enter here and on C-8020, line 6				

NOTE: Totals on line 30 must equal 85% of the current year tax liability on page 1, line 3.

Name(s) as shown on return

Employer ID No or TR No.

THE BARTER BROTHERS

38-0200000

WORKSHEET 1
GROSS RECEIPTS/BUSINESS INCOME
INDIVIDUALS AND FIDUCIARIES**PART 1: GROSS RECEIPTS**

1. U.S. 1040, Schedule C or C-EZ,
gross receipts (net of returns) .00
2. U.S. 1040, Schedule C,
other income .00
3. U.S. 1040, Schedule D, **
short and long term sales price .00
4. U.S. 1040, Schedule E,
a. Part I, total rents received .00
b. Total royalties received .00
5. U.S. 4797, gross sales price, **
business assets .00
6. Other receipts .00
7. Total gross receipts
Add lines 1 through 6. .00

PART 2: BUSINESS INCOME

8. U.S. 1040, Schedule C or C-EZ,
net profit or (loss) .00
9. U.S. 1040, Schedule D,
gain or (loss) * .00
10. U.S. 1040, Schedule E,
line 22 rent and royalty
income or (loss) .00
11. U.S. 4797 gains or (loss)
not included in Schedule D .00
12. Other income .00
13. Total business income
Add lines 8 through 12. .00

* U.S. 1040D and 4797: Report only gains or losses from assets used in a business activity. Do not include personal gains and losses.

WORKSHEET 2
GROSS RECEIPTS/BUSINESS INCOME
CORPORATIONS**PART 1: GROSS RECEIPTS**

1. U.S. 1120 or 1120A, line 1c .00
2. U.S. 1120 or 1120A, lines 4-7 .00
3. U.S. 1120 or 1120A, line 10 .00
4. U.S. 1120 or 1120A, Schedule D **
short and long term sales price .00
5. U.S. 4797, gross sales price ** .00
6. Add lines 1 through 5 .00

PART 2: BUSINESS INCOME

Enter federal taxable income from U.S. 1120 or 1120A.

WORKSHEET 3
GROSS RECEIPTS/BUSINESS INCOME
PARTNERSHIPS OR S CORPORATIONS**PART 1: GROSS RECEIPTS**

1. U.S. 1065 or U.S. 1120S
a. Gross receipts (net of returns) 613705 .00
b. Other income/receipts .00
2. U.S. 8825, gross income from
real estate rentals .00
3. U.S. 1065 or 1120S, Schedule D **
short and long term sales price .00
4. U.S. 1065 or 1120S, Schedule K
a. Gross other rental income .00
b. Interest, dividend, royalty income 5319 .00
c. Other income .00
5. U.S. 4797, gross sales price **
business assets .00
6. Other receipts .00
7. Total gross receipts
Add lines 1 through 6. 619024 .00

PART 2: BUSINESS INCOME

8. U.S. 1065 or 1120S, Schedule K, Income (Loss)
a. Ordinary income (loss) 152574 .00
b. Net real estate rental
income (loss) .00
c. Net other rental
income (loss) .00
d. Interest, dividend, & royalty income 5319 .00
e. Net short-term gain (loss) .00
f. Net long-term gain (loss) .00
g. Other portfolio income (loss) .00
h. Guaranteed payments to partners .00
i. Other net gain (loss)
under section 1231 .00
j. Other income .00
9. Total income or (loss)
Add lines 8a through 8j. 157893
10. U.S. 1065 or 1120S, Schedule K, Deductions
a. Charitable contributions .00
b. Section 179 expense .00
c. Deductions related to
portfolio income .00
d. Other deductions .00
11. Total deductions
Add lines 10 through 10d. .00
12. Total business income
Subtract line 11 from line 9. 157893 .00

Note: Limited liability companies should choose the appropriate worksheet based on their federal return.

(keep for your records)

Name(s) as shown on return

Your social security number

THE BARTER BROTHERS

38-0200000

Compensation Reduction Method

1. Amount from C-8000S, line 8 _____
2. Multiply line 1 by 1.9% (.019) _____
3. Amount from C-8000ITC, line 31(if blank, enter zero) _____
4. Tax reduction for this method: Add lines 2 and 3 _____

Gross Receipts Reduction Method

5. Amount from C-8000S, line 15 125278
6. Tax reduction for this method: Multiply line 5 by .019 2380

Straight Method

7. Amount from C-8000ITC, line 27. If not claiming an ITC, enter zero. This is your tax reduction for this method. _____

Compare lines 4, 6 and 7.

- If line 4 is the greatest, enter amount **from line 1** of this Worksheet on Form C-8000S, line 16, and on Form C-8000, line 41. Check the **"Compensation Reduction"** box on Form C-8000, line 41.
- If line 6 is greatest, enter amount from line 5 of this Worksheet on Form C-8000S, line 16, and on Form C-8000, line 41. Check the **"Gross Receipts Reduction"** box on Form C-8000, line 41.
- If line 7 is greatest, enter zero on Form C-8000S, line 16, and Form C-8000, line 41. **Do not** check any box Form C-8000, line 41.